AMENDED IN ASSEMBLY AUGUST 7, 2012

AMENDED IN ASSEMBLY JUNE 22, 2011

AMENDED IN SENATE APRIL 14, 2011

AMENDED IN SENATE MARCH 29, 2011

AMENDED IN SENATE MARCH 14, 2011

SENATE BILL

No. 245

## **Introduced by Senator Rubio**

February 10, 2011

An act to add Sections 13998.1, 13998.2, <del>13998.3, 13998.4, 13998.5, 13998.6,</del> and 13998.7 to the Government Code, relating to the retention of military base reuse.

## LEGISLATIVE COUNSEL'S DIGEST

SB 245, as amended, Rubio. Military installations: plan for retention and sustainability.

Existing law requires the Secretary of Business, Transportation and Housing to develop and report to the Governor on legislative, budgetary, and administrative programs to accomplish comprehensive, long-range, coordinated planning and policy formulation in the matters of public interest related to the agency.

This bill would establish the Office of Military Support in the Business, Transportation and Housing Agency place the Military Advisor Council and the position of the Governor's Advisor on Military Affairs under the direction of the Governor's Office of Planning and Research, and set forth—its that position's duties and authority with respect to state and local defense retention and conversion. It would provide that the Office of Military Support Governor's Office of

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Planning and Research would be in the charge of a director the advisor who would be appointed by the Governor. The bill would authorize the office to establish a Military Advisory Committee with a specified membership.

This bill also would authorize the office to seek private funds for the operations of the office. The bill would establish the Military Support Account in the Special Deposit Fund in the State Treasury and require that any private funds the office accepts be deposited in that account. The bill would authorize, upon the approval of the Secretary of Business, Transportation and Housing, the office to expend moneys in the account, upon appropriation by the Legislature, for specified purposes of the office.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. This act shall be known, and may be cited, as the Military and Aerospace Support Act of 2012.
- 3 SEC. 2. The Legislature finds and declares as follows:
- 4 (a) For over half a century, California's industries, universities, businesses, and workers have contributed to our nation's defense, utilizing their capital, talents, and skills to develop and bring to production important new technologies and advanced weapons systems, aircraft, and missiles.
  - (b) Defense spending in California peaked at sixty billion dollars (\$60,000,000,000) in 1988.
  - (c) California has experienced five rounds of base closures resulting in the closure or realignment of 29 bases since 1988. Additional bases may be considered for closure in future closure rounds.
  - (d) California lost more federal payroll jobs from its 29 military base closures under rounds one to four, inclusive, than all of the rest of the states put together. The reduced military payroll, including military and civilian employees, in California is approximately 101,000 jobs. About 300,000 private sector defense industry jobs in California have been lost.
- 21 (e) In preparation for the 2005 Base Realignment and Closure 22 (BRAC) the Legislature and Governor assumed a leadership role 23 by creating special committees in the Assembly and Senate,

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1 enacting legislation that created the Office of Military and 2 Aerospace Support, and created the Base Retention Council. 3 Meetings were held statewide by the select committees and the 4 council. A California handbook was created and submitted to 5 members of Congress and senior DOD officials which stressed 6 the military value of California military installations and the 7 missions.

(f) Previous military support legislation that created and enabled California to meet the challenge of BRAC 2005 has expired.

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- (1) Senate Bill 1099 of the 1999–2000 Regular Session (SB 1099) established the California Defense Retention and Conversion Act. SB 1099 created the California Defense Retention and Conversion Council in the Trade and Commerce Agency and the Office of Military Base Retention and Reuse (OMBRR). OMBRR and the Council were charged with developing reports and a grant program to deal with the base closures and protection of bases proposed for closure. The name of OMBRR was subsequently changed to the Office of Military Support. The act expired January 1, 2007.
- (2) Senate Bill 926 of the 2003–04 Regular Session established the Military and Aerospace Support Act. SB 926 repealed the statute establishing the Defense Retention and Conversion Council, and created the Office of Military and Aerospace Support (OMAS) in the Business, Transportation and Housing Agency. OMAS was charged with providing a central clearinghouse for all defense retention, conversion, and base reuse activities and to communicate with military installations in the state. SB 926 expired January 1, 2007.
- (g) In August 6, 2006, Governor Schwarzenegger signed Executive Order S-16-06, August 2006, creating the Governor's Advisor for Military Affairs (AMA). AMA was tasked to coordinate the development of state policies that are crucial to the military, including, but not limited to, all of the following:
- (1) Land use planning to ensure sustainability of defense activities in California.
- 36 (2) Development of legislation that supports the California-Department of Defense relationship.
  - (3) Working with the defense agencies to address regulatory activities by state agencies that affect the sustainability of defense operations in California.

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 (4) Working with relevant agency secretaries and the department directors to identify critical staff in the administration to further facilitate cooperation between the state and military.

- (5) Serving as the administration's lead advocate on state and federal policy impacting the Armed Forces based in California.
  - (h) The AMA was never appointed.
- (i) California needs a focused, coordinated defense retention and conversion program within the state in order to protect the existing defense installations and facilities within the state and to assist those communities that have experienced an installation's closing.
- (j) Currently, there are over 237,000 active duty and civilian defense personnel in California.
- (k) The direct Department of Defense expenditures in California are over fifty-nine billion dollars (\$59,000,000,000) for employees, contracts, and capital investment.
  - (1) California has over 30 major active military installations.
- (m) The Department of Defense pays three million dollars (\$3,000,000) annually in fees, permits, and licenses within the state.
- (n) Having been the leader in the nation's defense effort, the state must now also assume the role as leader in defending existing military installations within its borders. That role will require a coordinated effort to ensure that California promotes the necessity of existing defense facilities, assists local governments and organizations in planning retention efforts, and designs and implements a single unified plan for active defense retention efforts on the federal level.
- (o) It is the intent of the Legislature that the state's role in defense retention, conversion, and military support be consolidated in the Business, Transportation and Housing Agency Governor's Office of Planning and Research.
- SEC. 3. Section 13998.1 is added to the Government Code, to read:
- 13998.1. (a) The Legislature recognizes the potential for federal legislation to close additional military installations nationwide. In an effort to be proactive in retaining these facilities within this state that are necessary for the defense of the nation and to provide for a single, focused defense of these installations, the Office of Military Support is hereby created in the Business,

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Transportation and Housing Agency the Governor's Advisor on 1 2 Military Affairs and the Military Advisory Council shall serve 3 under the direction of the Governor's Office of Planning and 4 Research.

- (b) The Office of Military Support shall be in the charge of a director who is under the direction of the Secretary of Business, Transportation and Housing. The director's title shall be Leading the base retention and conversion efforts at the office shall be the Governor's Advisor on Military Affairs (AMA). The AMA shall be appointed by the Governor. The AMA shall hold office at the pleasure of the Governor and shall receive a salary fixed by the secretary with the approval of the Department of Personnel Administration.
- (c) It shall be the purpose of the office to provide a central elearinghouse for all defense retention, conversion, base reuse, and sustainability activities in the state and to interact and communicate with military installations in the state.
  - (d) "Office" means Office of Military Support.
- SEC. 4. Section 13998.2 is added to the Government Code, to read:
- 13998.2. (a) The office may establish a Military Advisory Committee to provide input, information, technical advice, or other comments to the office on military-related matters, including, but not limited to, active Department of Defense installations in this state and defense conversion issues. The office may call meetings of the committee at times and locations when necessary. Participation by committee members is voluntary and there is no reimbursement for per diem or expenses.
- 29 (b) The committee membership may include, but is not limited 30 to, policy level representatives from the following: 31
  - (1) The Secretary of Business, Transportation and Housing.
  - (1) The Governor's Advisor on Military Affairs, who shall serve as chair.
- 34 (2) The Director of the Governor's Office of Business and 35 Economic Development.
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- 37 (3) The Secretary for Environmental Protection.
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- 39 (4) The Director of Employment Development.
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- 1 (5) The Director of Planning and Research.
- 2 (5)
- 3 (6) The Chairperson of the State Energy Resources,
- 4 Conservation and Development Commission.
- 5 <del>(6)</del>
- 6 (7) The Director Secretary of Transportation.
- 7 (7)
- 8 (8) The Executive Director of the Employment Training Panel.
- 9 (8)
- 10 (9) The Secretary for Natural Resources.
- 11 <del>(9)</del>
- 12 (10) The President of the University of California.
- 13 (10)
- 14 (11) The Chancellor of the California State University.
- 15 <del>(11)</del>
- 16 (12) The Chancellor of the California Community Colleges.
- 17 <del>(12)</del>
- 18 (13) The President pro Tempore of the Senate.
- 19 (13)
- 20 (14) The Speaker of the Assembly.
- 21 (14)
- 22 (15) The California Air Resources Board.
- 23 (15)
- 24 (16) The State Energy Resources, Conservation and
- 25 Development Commission.
- 26 <del>(16)</del>

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- (17) Any other legislative offices, state agencies, local governments, industry, civic, and research organizations that may have an interest in defense-related activities.
- 30 SEC. 5. Section 13998.3 is added to the Government Code, to 31 read:
- 32 13998.3. The Office of Military Support shall do all of the following:
- 34 (a) Develop and recommend to the Governor and the Legislature a strategic plan for state and local defense sustainability, retention,
- 36 and conversion efforts. The plan shall address the state's role in
- 37 assisting communities with potential base closures and those
- 38 impacted by previous closures. The office may coordinate with
- 39 other state agencies, local groups, and interested organizations on

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this strategic plan to retain current Department of Defense installations, facilities, bases, and related civilian activities.

- (b) Conduct outreach to entities and parties involved in defense retention and conversion across the state and provide a network to facilitate assistance and coordination for all defense retention and conversion activities within the state.
- (c) Help develop and coordinate state retention advocacy efforts at the federal level.
- (d) (1) Conduct an evaluation of existing state retention and conversion programs and provide the Legislature recommendations on the continuation of existing programs, including, but not limited to, the possible elimination or alteration of those programs. This evaluation shall be transmitted to the Legislature.
- (2) The office may provide recommendations to the Legislature on the necessity of new programs for defense retention and adequate funding levels.
- (e) Utilize and update the plan prepared by the Military Advisory Council prepared for the 2005 Base Realignment and Closure proceeding to minimize California's loss of bases and jobs in future rounds of base closures. This plan shall include, but not be limited to, all of the following:
  - (1) Identification of major installations in this state.
- (2) Determination of how best to defend existing bases and base employment in this state.
- (3) Coordination of retention activities with communities that may face base closures.
  - (4) Development of data and analyses on bases in this state.
- (5) Coordination with the congressional delegation, the Legislature, and the Governor. With the consent of the appropriate authority, the office may temporarily borrow technical, policy, and administrative staff from other state agencies, including the Legislature.
- (f) Serve as the primary state liaison with the Department of Defense and its installations in this state. In order to maximize the mission use of the installations, the Office of Military Support shall assist in resolving any disputes or issues between the Department of Defense and state entities.
- (g) Review actions or programs by state agencies that may affect or impact Department of Defense installations or the state's military base retention and reuse activities and recommend to the Governor

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and the Legislature actions that may be taken to resolve or prevent similar problems in the future.

- (h) Where funds and resources are available, the office may undertake all of the following activities:
- (1) Provide a central clearinghouse for all base retention or conversion assistance activities, including, but not limited to, employee training programs and regulation review and permit streamlining.
- (2) Provide technical assistance to communities with potential or existing base closure activities.
- (3) Provide a central clearinghouse for all defense retention and conversion funding, regulations, and application procedures for federal or state grants.
- (4) Serve as a central clearinghouse for input and information, including needs, issues, and recommendations from businesses, industry representatives, labor, local government, and communities relative to retention and conversion efforts.
- (5) Identify available state and federal resources to assist businesses, workers, communities, and educational institutions that may have a stake in retention and conversion activities.
- (6) Provide one-stop coordination, maintain and disseminate information, standardize state endorsement procedures, and develop fast-track review procedures for proposals seeking state funds to match federal defense conversion funding programs.
- (7) Maintain and establish databases in such fields as defense-related companies, industry organization proposals for the state and federal defense industry, community assistance, training, and base retention, and provide electronic access to the databases.
- SEC. 6. Section 13998.4 is added to the Government Code, to read:
- 13998.4. (a) The updated plan as provided in subdivision (e) of Section 13998.3 shall include identification of whether other military installations or missions located in other states could be recruited to this state.
- (b) The office shall submit to the Governor and the Legislature an updated strategic plan pursuant to Section 13998.3 specific to the federal BRAC 2005 process by January 1, 2015.

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(c) (1) The requirement for submitting a report imposed under subdivision (b) is inoperative on January 1, 2019, pursuant to Section 10231.5.

- (2) A report to be submitted pursuant to subdivision (b) shall be submitted in compliance with Section 9795.
- SEC. 7. Section 13998.5 is added to the Government Code, to read:
- 13998.5. (a) The Office of Military Support shall apply for grants and may seek contributions from private industry to fund its operations.
- (b) The office shall actively solicit and accept funds from industry, foundations, or other sources to support its operations and responsibilities under this chapter.
- (c) Any private funds the office accepts shall be deposited into the Military Support Account, which is hereby established in the Special Deposit Fund in the State Treasury. The office may, upon the approval of the Secretary of Business, Transportation and Housing, expend moneys in the account, upon appropriation by the Legislature in the annual Budget Act, for the purposes of this chapter and for no other purpose. Records of funds received and expenditures made pursuant to this section shall be subject to public disclosure. A report describing the receipt and expenditure of these funds shall be submitted to the Department of Finance, the Assembly Committee on Budget, and the Senate Committee on Budget and Fiscal Review at least biennially.
- SEC. 8. Section 13998.6 is added to the Government Code, to read:

13998.6. In addition to the duties specified in Section 13998.3, the office shall prepare a study considering strategies for the long-term protection of lands adjacent to military bases from development that would be incompatible with the continuing missions of those bases. The study shall include the effects of local land use encroachment, environmental impact considerations, and population growth issues. The study shall recommend basic criteria to assist local governments in identifying lands where incompatible development may adversely impact the long-term missions of these bases. The study shall also identify potential mechanisms, including recommendations for changes in law at the local or state level, to address these issues.

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1 SEC. 9.

2 SEC. 5. Section 13998.7 is added to the Government Code, to 3 read:

4 13998.7. The Business, Transportation and Housing Agency 5 Governor's Office of Planning and Research, with input and

assistance from the office, may establish a military support grant

7 program to grant funds to communities with military bases to assist

8 them in developing a retention strategy.